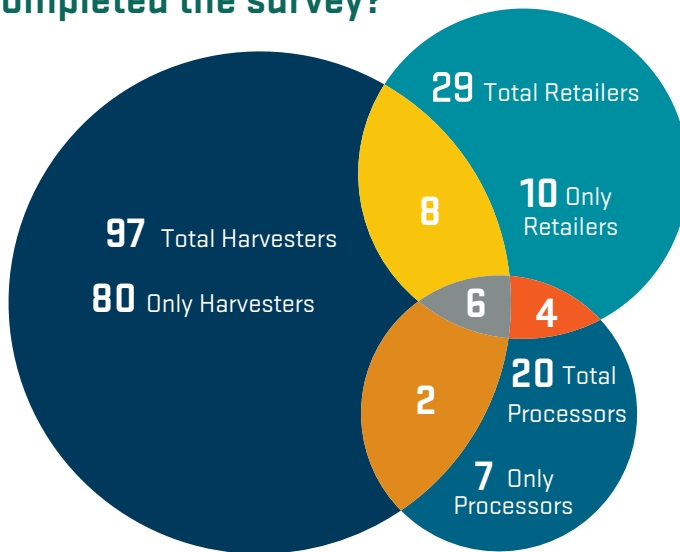


Impacts of COVID-19 on the Oregon Seafood Industry Spring 2020



Oregon Sea Grant conducted an electronic survey in spring 2020 (April 22 - June 1) to understand the impacts of COVID-19 on seafood harvesters, processors, retailers and integrated businesses. This document is a synopsis of the key findings from the survey.

Who completed the survey?



Integrated Businesses are respondents that identified as more than one seafood industry sector, including “**Harvesters and Retailers**”, “**Harvesters, Retailers, and Processors**”, “**Processors and Harvesters**” and “**Processors and Retailers**”.

- 131 surveys were completed, primarily from businesses and individuals on the Oregon Coast.

- Responses came from seafood **Harvesters** (i.e., commercial fishermen, 61%), **Integrated Businesses** (15%), **Retailers** (8%), **Industry support organizations** (e.g. agency or NGO staff, 6%), **Processors** (5%), and those that preferred not to say (5%).

- The majority of respondents identified as business owners or managers.

- 61% of respondents had worked in the seafood industry for 21+ years; 27% for 6-20 years; 12% were new to the industry (<5 years).

- The top three seafood products handled were Dungeness crab, albacore tuna, and salmon.

* *Graphic does not include industry support organizations or respondents that did not designate a sector.*

Impacts from the Pandemic - Key Findings Across All Sectors

- Industry members expressed concerns about **loss of livelihoods** especially for younger harvesters, **downstream and longer term impacts** from current market disruptions, **failure of state and federal safety nets**, and pressures from **financial hardship** potentially leading to **additional risks to worker safety**.

- **Nearly all respondents (95%)** reported that they or their business **had already been impacted by COVID-19**.

- Survey respondents were **highly reliant** on their work in Oregon’s seafood industry, with an average of **83% of their household income** tied to their **work in seafood**.

- Business owners/managers **across all sectors - except retailers** - identified **lost domestic sales** as the **most common COVID-19 impact** they were currently experiencing. Other impacts varied by sector.

- Workers most frequently reported experiencing **loss of income** as a result of COVID-19 at the time of the survey. As the pandemic progresses, workers expect **job losses** and **challenges balancing family and work** to be critical challenges.

“First will be a lack of retail sales in the crab industry which will lead to a massive quantity left in cold storage at the beginning of next year season. That will lead to low prices that we have not seen in decades. Second, will be the reduction of processing and exports in our tuna industry. [I]ndividual boats without good and well-established markets will suffer severely.” - *Fishing Vessel Owner*

“With the low money on price for product [people] like myself will get further and further behind on [bills]...It's tough for a young fisherman like myself and others my age to get ahead or even keep even keel.” - *Fishing Vessel Owner*

“Fishermen in our community are going to get so far behind in their bills/boat payments that they will be desperate to make money, causing them to make some really bad choices.” - *Fishing Vessel Owner*

Most Common Impacts

Key Findings by Sector

Harvesters

- Loss of domestic sales (55%)
- Loss of international sales (48%)

- Vessels reported making fewer trips and reducing harvest because of price decreases, supply issues, loss of markets, and illness.
- Harvesters reported more severe impacts for smaller businesses and younger fishermen.

“With [C]hina not buying it cut our crab price in half..with demand down and [C]hina not in the picture the large processors took advantage and it cost the smaller boats big...This has been a devastating year for boats under 40 ft.”

Processors

- Loss of domestic sales (57%)
- Increased operational costs (57%)

- Processors highlighted the challenges in keeping larger groups of people employed while also ensuring their health and safety.
- A shift in both quantity (due to reduced exports) and preparation (frozen vs live) of products is affecting how processors conduct business.

“We have been working only one production day to account for the decrease in orders and lack of trucking. Employees who have been long term have quit so they can stay home with children or other[s].”

Retailers

- Marketing to new customers/adjusted sales (60%)

- Loss of international sales was less important to this sector compared to others.
- Retailers reflected a shift in business models, with many turning to curbside pickup or delivery service to help counter loss of in-person services.
- Many expressed concerns regarding the long-term recovery of the restaurant industry.

“Luckily one of my businesses is in a sweet spot, retail customers are buying more because they are consolidating outings and they are eating at home. We also do a fish and chips take out business which has increased in business. On the other hand I have a wholesale seafood business which has lost 90% of its revenue due to the closure of restaurants. Very worried that the restaurant landscape is going to look very different when business can resume, many may not be able to reopen and will be unable to pay their suppliers, and will customers return to their old routines and how quickly [?]”

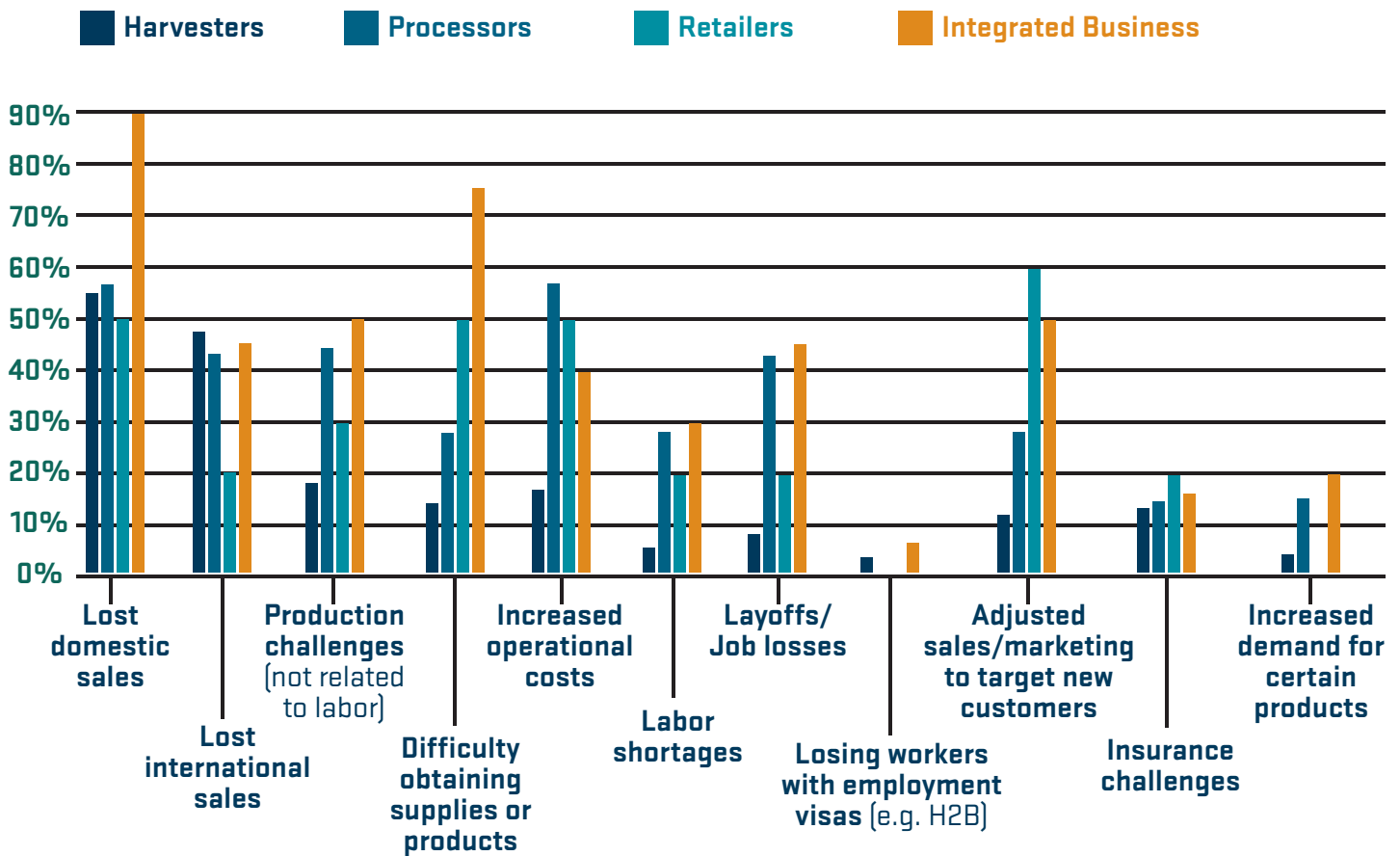
Integrated Business

- Loss of domestic sales (90%)
- Difficulty obtaining supplies/product (75%)

- After the loss of domestic sales, difficulty obtaining supplies or products was the second most reported impact, particularly for those that participated in processing and retailing. This differed starkly from processors that were not part of integrated businesses.

“Commercial fishing has taken a large hit on prices of products (fish). The restaurant industry buys most of our high value high price fish[.] [W]ith [the COVID] 19 shut down prices and demand are much lower currently...hard to move fish with shut down and less air travel...people [don't] eat high price fish out of [to go] boxes.”

Impacts Already Experienced - % of Respondents by Sector



Recovery and Resilience

Weathering the storm

In keeping with the Oregon seafood industry's reputation for resilience, respondents reported already making changes to their business models to adapt:

"Shifted target market from restaurants to grocery chains and seafood markets" - *Wholesaler Business Owner*

"[I'm] hedging product that would've gone straight to market into freezers in hopes of an economic rebound within the freezer lifespan." - *Integrated Business Owner*

"Instituting policies and procedures to [e]nsure employee and customer safety, social distancing, masks, plastic separators, hand washing, sanitizers and health screening. Made it easier for customers to place and pick up orders without social contact. Put in operation direct shipping for retail customers." - *Seafood Market Owner*

Navigating troubled waters: Resources for recovery following COVID-19

We asked the seafood industry what resources would help them recover from the impacts of COVID-19.

Business owners and managers reported:

- **Monetary assistance** was most frequently identified across all sectors.
- **Assistance in reaching new markets** was the second most popular option, but identified by less than half the number of people that identified monetary assistance.
- There was **limited interest** in guides on accessing available government services and assistance, resources on direct marketing or alternative distribution models, and resources to support worker health and safety.
- The industry had **almost no interest in business training** and workshops or individualized **business advising**.

“The small boat operator I am afraid will be left out if and when there is any federal assistance. This is usually the case as the larger processors and vessels will take the majority of any aid. The \$300 million that was allotted for the entire US seafood industry through the CARES act is not enough to do much of anything considering the losses that have and will be incurred” - Fishing Vessel Owner

Crew and workers reported:

- **Resources on filing for unemployment** were most critical; many crew members are contract employees and therefore do not qualify for standard unemployment programs.
- Worker **health and safety** resources, **housing** rent/mortgage assistance, and information on **government services and programs** were also identified **frequently**.
- **None** of the workers that responded to our survey identified **job skill training or workshops** as a helpful resource.

Connecting with the Seafood Industry

People involved in the seafood industry can be challenging to reach, and have unique preferences about how to receive information and resources. The most important source of information about COVID-19 for each seafood sector is in bold.

Harvesters	Processors	Retailers	Integrated Business
<ul style="list-style-type: none">• Friends/Co- workers• TV	<ul style="list-style-type: none">• Local, State & Federal Agencies• Newspapers	<ul style="list-style-type: none">• Newspapers• State Agencies• TV	<ul style="list-style-type: none">• Newspapers• Social Media• State and Federal Agencies

These differences in preferred communication channels highlight the importance of developing targeted communication strategies to reach these different parts of Oregon’s seafood industry with information about COVID-19 recovery resources.

Taking Action to Aid in Oregon Seafood Industry’s Recovery

Oregon Sea Grant has already put this information to work, and we hope others can use this information to aid the recovery of Oregon’s seafood industry from the COVID-19 pandemic.

